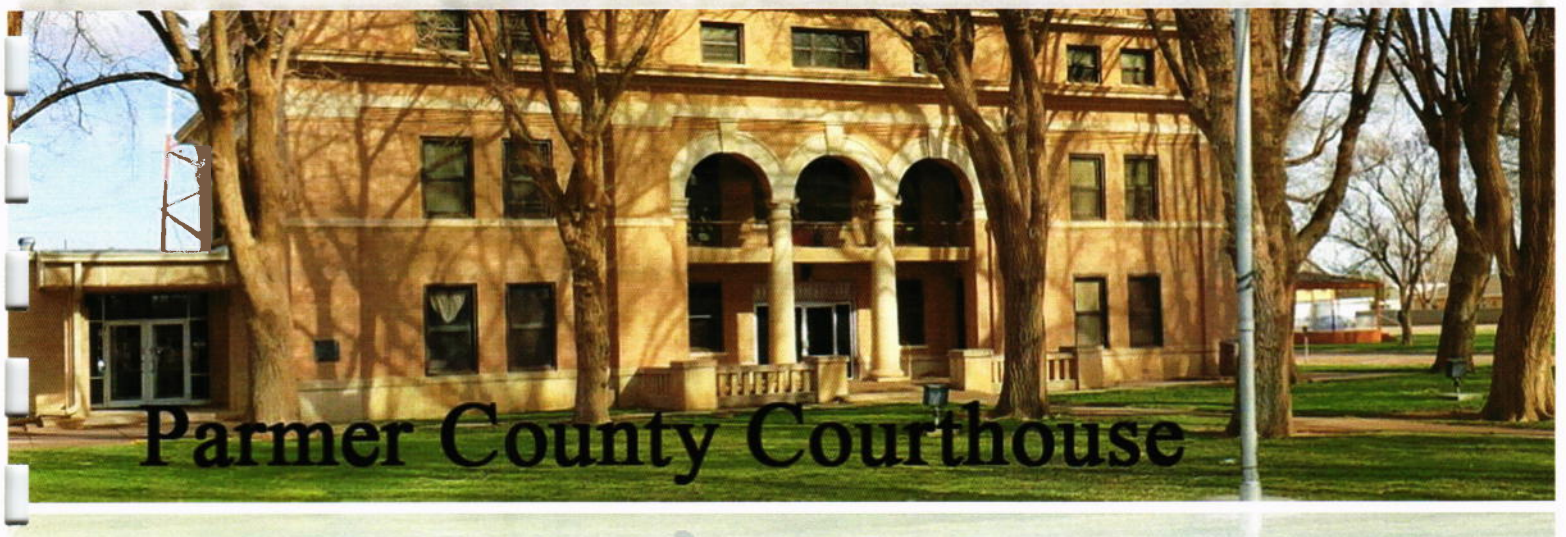


*STATE OF TEXAS  
PARMER COUNTY  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2015*



**Parmer County Courthouse**

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## **INTRODUCTORY SECTION**

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**STATE OF TEXAS**

Parmer County

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December 31, 2015

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**STATE OF TEXAS**  
**Parmer County**  
**Official Roster**  
**December 31, 2015**

<u><b>Name</b></u>	<u><b>Elected Officials</b></u>	<u><b>Title</b></u>
Kirk Frye		Precinct 1 - Commissioner
Steve Cockerham		Precinct 2 – Commissioner
Kenny White		Precinct 3 – Commissioner
Lloyd Bradshaw		Precinct 4 – Commissioner
Trey Ellis		County Judge
Altha Herington		County Treasurer
Gerri Bowers		County Clerk
Bobbie Pierson		Tax Assessor/Collector
Randy Gerles		Sheriff
Jo Beth Gibson		JP Friona
Sandra Clayton		JP Bovina
Pam Haseloff		JP Farwell
Jeff Actkinson		County Attorney
Sandra Warren		District Clerk
	<u><b>Appointed Official</b></u>	
Larry Johnston		County Auditor

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and  
Members of the Commissioners' Court  
Parmer County  
Farwell, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Parmer County, Texas (the "County"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Parmer County, as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

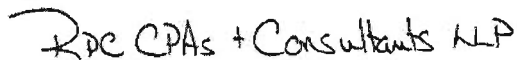
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 12 through 17 and Schedules I through IV on pages 50 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the County's financial statements that collectively comprise the County's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements, and Schedules V through XI are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and supporting schedule XI are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and Schedule XI are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and Schedule V through X have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



RPC CPAs + Consultants, LLP  
Albuquerque, New Mexico  
May 19, 2016

**STATE OF TEXAS**  
Parmer County  
Management's Discussion and Analysis  
December 31, 2015

As management of Parmer County (the County), we offer readers of Parmer County financial statements this narrative overview and analysis of the financial activities of Parmer County for the calendar year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements of Parmer County and additional information provided.

**Financial Highlights**

- The assets and deferred outflows of resources of Parmer County exceeded its liabilities at the close of the most recent calendar year by \$9,791,232 (net position). Of this amount, \$3,642,625 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors. The County's net position that is restricted for debt service, records management, and special revenue funds is \$2,694,990. The County's net investment in capital assets is \$3,453,617.
- Change in net position for the year ended December 31, 2015 was an increase of \$163,150 as a result of operations. The increase is primarily due to a increase in property tax revenue.
- At the end of the current calendar year, unassigned fund balance for the general fund was \$1,512,010 or 43 percent of total general fund expenditures.
- The County's total debt outstanding at December 31, 2015 is \$2,001,563.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Parmer County's basic financial statements. Parmer County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Parmer County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Parmer County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Parmer County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future calendar periods (e.g., uncollected taxes).

Both of the government-wide financial statements display functions of Parmer County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Parmer County include general government, judicial and legal, financial administration, law enforcement, building maintenance, public service, conservation, and road and bridge.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Parmer County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Parmer County can be divided into two categories: governmental funds and fiduciary funds.

**STATE OF TEXAS**  
Parmer County  
Management's Discussion and Analysis  
December 31, 2015

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the calendar year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Parmer County has three governmental fund types: the general fund, special revenue funds, and the debt service fund. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, the farm to market fund, and the debt service fund, which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Parmer County adopts an annual appropriated budget for its general fund, farm to market fund, and various other special revenue funds. A budgetary comparison statement has been provided for the general fund, the farm to market fund, the debt service fund, and the nonmajor special revenue funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found at Exhibits A-1 and A-2 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Parmer County's own programs.

The basic fiduciary fund financial statement can be found at Exhibit C-1 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 47 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information. Combining and individual fund statements and schedules can be found on pages 58 through 66 of this report.

**STATE OF TEXAS**  
**Parmer County**  
**Management's Discussion and Analysis**  
**December 31, 2015**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Parmer County, assets and deferred outflows of resources exceeded liabilities by \$9,791,232 at the close of the most recent calendar year. The County had revenues that exceeded expenditures during the year in the amount of \$163,150 which increased net position in the current year as a result of operations.

Parmer County's net position reflects its investment in capital assets (e.g., land, buildings, other improvements, and furniture and equipment) less any related debt used to acquire those assets that is still outstanding. This net position category of \$3,453,617 reflects that Parmer County has more net cost value than debt related to its capital assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Parmer County's Net Position**  
**December 31, 2015**

	<b>Governmental Activities</b>	
	<b>2015</b>	<b>2014</b>
Current and other assets	\$ 6,589,539	\$ 6,613,354
Capital assets	5,237,780	5,037,803
<b>Total assets</b>	<b>\$ 11,827,319</b>	<b>\$ 11,651,157</b>
Deferred outflows of resources	\$ 275,000	\$ -
Current liabilities	\$ 424,190	\$ 371,531
Noncurrent liabilities	1,886,897	1,804,311
<b>Total liabilities</b>	<b>\$ 2,311,087</b>	<b>\$ 2,175,842</b>
<b>Net position:</b>		
Net investment in capital assets	\$ 3,453,617	\$ 2,974,918
Restricted for:		
Debt service	340,303	329,871
Records management	126,031	113,893
Other purposes - special revenue	2,228,656	2,319,900
Unrestricted	3,642,625	3,736,733
<b>Total net position</b>	<b>\$ 9,791,232</b>	<b>\$ 9,475,315</b>

**STATE OF TEXAS**  
**Parmer County**  
**Management's Discussion and Analysis**  
**December 31, 2015**

**Changes in Net Position**

The County's total revenues of \$5,505,641 and expenses of \$5,342,491 resulted in a change in net position of \$163,150 as a result of County operations. The County also had a restatement of net position of (\$9,229) related to the implementation of GASB Statement Nos. 68 and 71. Comparative information for changes in net position is shown below.

**Parmer County's Change in Net Position**  
**December 31, 2015**

	<b>Governmental Activities</b>	
	<b>2015</b>	<b>2014</b>
Revenues:		
Program revenues:		
Charges for services	\$ 884,557	\$ 932,549
Operating grants and contributions	94,612	123,762
General revenues:		
Property and other taxes	3,981,637	3,870,200
Fines and forfeitures	-	138,320
Interest income	19,755	43,352
Miscellaneous income	220,179	186,399
Gain (Loss) on disposal of assets	304,901	118,694
Total revenues	<u>5,505,641</u>	<u>5,413,276</u>
Expenses:		
General government	1,138,785	902,226
Judicial	725,877	710,762
Legal	267,633	417,603
Public safety	1,446,095	1,323,210
Health and welfare	105,346	97,837
Road and bridge	1,613,704	1,614,258
Interest on long-term debt	45,051	50,497
Total expenditures	<u>5,342,491</u>	<u>5,116,393</u>
Increase (decrease) in net position	163,150	296,883
Net position - beginning	9,475,375	9,178,492
Net position - restatement	(9,229)	-
Net position - as restated	<u>9,466,146</u>	<u>9,178,492</u>
Net position - ending	<u>\$ 9,629,296</u>	<u>\$ 9,475,375</u>

**STATE OF TEXAS**  
Parmer County  
Management's Discussion and Analysis  
December 31, 2015

**Financial Analysis of the Government's Funds**

As noted earlier, Parmer County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of Parmer County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Parmer County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the calendar year.

As of the end of the current calendar year, Parmer County's governmental funds reported combined ending fund balances of \$3,301,192, a decrease of \$314,306 in comparison with the prior year. Approximately 43 percent of this total amount, \$1,512,010, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *restricted* for special revenue purposes to indicate that it is not available for new spending.

The general fund is the chief operating fund of the County. The unassigned fund balance represents 43% of the total general fund expenditures or approximately 5 months of operating equity.

**Budgetary Highlights**

The final budget for the General fund reflected a deficit of \$616,486 which decreased the fund balance. Budget amendments to expenditures were made during the year within the general fund departments. The actual expenditures were \$207,990 less than the final budgeted amounts, and actual revenues were \$688 more than the final budgeted amounts. This resulted in a favorable budget variance of \$208,678.

In the Farm to Market combined fund, the final budget reflected a deficit of \$256,658 which decreased the fund balance. Budget amendments to expenditures were made during the year within the Farm to Market fund precincts. The actual expenditures were \$92,778 more than the final budgeted amounts and actual revenues were \$1,721 less than the final budgeted amounts. This resulted in an unfavorable budget variance of \$94,499.

In the Debt Service fund, the final budget reflected a excess of \$924 which increased the fund balance. The actual expenditures were \$100 less than the final budgeted amounts. The actual revenues were \$13,335 less than the final budgeted amounts. This resulted in an unfavorable budget variance of \$13,235.

**Capital Asset and Debt Administration**

**Capital Assets**

Parmer County's investment in capital assets for its governmental activities as of December 31, 2015, amounts to \$5,237,780 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and vehicles. The table below shows the summarized capital assets of Parmer County as of December 31, 2015 and December 31, 2014.



**STATE OF TEXAS**  
Parmer County  
Management's Discussion and Analysis  
December 31, 2015

**Parmer County's Capital Assets**  
**December 31, 2015**

	<b>Governmental Activities</b>	
	<b>2015</b>	<b>2014</b>
Land	\$ 43,472	\$ 43,472
Buildings and improvements	2,673,419	2,778,417
Machinery and equipment	2,520,889	2,215,914
Total	<u>\$ 5,237,780</u>	<u>\$ 5,037,803</u>

Additional information on Parmer County's capital assets can be found in Note 5 on page 37 of this report.

**Long-Term Debt**

- **Certificates of Obligation.** At the end of the current calendar year, the County had outstanding certificates of obligation of \$1,685,000.
- **Notes Payable and Capital Leases.** The County's notes payables and capital leases at December 31, 2014 were \$316,563.

**Economic Factor and Next Year's Budgets and Rates**

- The property tax rate for 2016 is set at 0.5135 for maintenance and operations and at 0.0281 for debt service, for a total tax rate of 0.5416.
- The average unemployment rate for Parmer County was 2.5 percent for the period February 2015 through March 2016 according to Bureau of Labor Statistics estimates. This compares favorably to a statewide average of 4.5 percent and a national average of 5.3 percent during the same time period.
- The agricultural economy is stable to improving after emerging from a prolonged drought in the previous four years.
- Construction of one major wind farm should begin in 2016. Prospects are good for additional wind farms in the county in subsequent years. These projects are expected to generate significantly higher tax revenues in 2017 and beyond.
- The county plans no major construction projects in 2016, but has budgeted for additional improvements to its information technology infrastructure.

All of these factors were considered in preparing Parmer County's budget for the 2016 calendar year.

**Request for Information**

This financial report is designed to provide a general overview of Parmer County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Treasurer, Parmer County, P.O. Box 454, Farwell, TX 79325.

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**BASIC  
FINANCIAL STATEMENTS**

**STATE OF TEXAS**  
**Parmer County**  
**Statement of Net Position**  
**December 31, 2015**

Exhibit A-1

	<u>Governmental Activities</u>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 3,119,408
Receivables:	
Property taxes, net of allowance	3,210,454
Fines and forfeitures, net of allowance and due to others	<u>115,622</u>
Total current assets	<u>6,445,484</u>
Noncurrent assets	
Restricted cash and cash equivalents	144,055
Capital assets	9,273,747
Less: accumulated depreciation	<u>(4,035,967)</u>
Total noncurrent assets	<u>5,381,835</u>
Total assets	<u>11,827,319</u>
<b>Deferred outflows of resources</b>	
Differences between expected and actual experience	22,102
Net difference between projected and actual earnings	65,632
Employer contributions subsequent to the measurement date	<u>187,266</u>
Total deferred outflows of resources	<u>275,000</u>
Total assets and deferred outflows of resources	<u><u>\$ 12,102,319</u></u>
<b>Liabilities</b>	
Current liabilities	
Accounts payable	\$ 77,893
Accrued interest	17,444
Current portion of notes and capital leases payable	138,853
Current portion of certificates of obligation payable	<u>190,000</u>
Total current liabilities	<u>424,190</u>
Noncurrent liabilities	
Net pension liability	214,187
Notes and capital leases	177,710
Certificates of obligation	<u>1,495,000</u>
Total noncurrent liabilities	<u>1,886,897</u>
Total liabilities	<u>2,311,087</u>
<b>Net position</b>	
Net investment in capital assets	3,236,217
Restricted for:	
Debt service	340,303
Maintenance of roads	1,639,657
Records management	126,031
Other purposes - special revenue	767,399
Unrestricted	<u>3,681,625</u>
Total net position	<u>9,791,232</u>
Total liabilities and net position	<u><u>\$ 12,102,319</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF TEXAS**  
Parmer County  
Statement of Activities  
For the Year Ended December 31, 2015

Exhibit A-2

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Primary government</b>				
General government	\$ 1,138,785	\$ 148,742	\$ 5,000	\$ (985,043)
Judicial	725,877	161,996	49,454	(514,427)
Financial administration	267,633	-	-	(267,633)
Public safety	1,446,095	233,642	9,537	(1,202,916)
Health and welfare	105,346	-	-	(105,346)
Road and bridge	1,613,704	502,173	30,621	(1,080,910)
Interest on long-term debt	45,051	-	-	(45,051)
<i>Total governmental activities</i>	<u>\$ 5,342,491</u>	<u>\$ 1,046,553</u>	<u>\$ 94,612</u>	<u>\$ (4,201,326)</u>

**General revenues:**

Taxes:

Property	3,981,637
Interest income	19,755
Miscellaneous income	220,179
Gain on disposal of capital assets	<u>304,901</u>

Total general revenues 4,526,472

Change in net position 325,146

Net position - beginning 9,475,315

Net position - restatement (Note 16) (9,229)

Net position - beginning, as restated 9,466,086

Net position - ending \$ 9,791,232

The accompanying notes are an integral part of these financial statements

**STATE OF TEXAS**  
**Parmer County**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2015**

Exhibit B-1  
Page 1 of 2

	General Fund	Farm to Market Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
<i>Assets</i>					
Cash and cash equivalents	\$ 1,579,815	\$ 965,899	\$ 148,941	\$ 568,808	\$ 3,263,463
Receivables:					
Property taxes, net of allowance	2,146,682	636,753	188,671	238,348	3,210,454
Fines and forfeitures, net of allowance and due to others	115,622	-	-	-	115,622
<i>Total assets</i>	<u>\$ 3,842,119</u>	<u>\$ 1,602,652</u>	<u>\$ 337,612</u>	<u>\$ 807,156</u>	<u>\$ 6,589,539</u>
<i>Liabilities and fund balances</i>					
<i>Liabilities</i>					
Accounts payable	\$ 57,396	\$ 14,945	\$ -	\$ 5,552	\$ 77,893
<i>Total liabilities</i>	<u>57,396</u>	<u>14,945</u>	<u>-</u>	<u>5,552</u>	<u>77,893</u>
<i>Deferred inflows of resources</i>					
Unavailable revenue - property taxes	2,146,682	636,753	188,671	238,348	3,210,454
<i>Total deferred inflows of resources</i>	<u>2,146,682</u>	<u>636,753</u>	<u>188,671</u>	<u>238,348</u>	<u>3,210,454</u>
<i>Fund balances</i>					
Spendable					
Restricted for:					
General county operations	-	-	-	153,572	153,572
Records management	126,031	-	-	-	126,031
Maintenance of roads	-	950,954	-	161,134	1,112,088
Judicial	-	-	-	206,249	206,249
Public safety	-	-	-	42,301	42,301
Debt service expenditures	-	-	148,941	-	148,941
Unassigned	1,512,010	-	-	-	1,512,010
<i>Total fund balances</i>	<u>1,638,041</u>	<u>950,954</u>	<u>148,941</u>	<u>563,256</u>	<u>3,301,192</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,842,119</u>	<u>\$ 1,602,652</u>	<u>\$ 337,612</u>	<u>\$ 807,156</u>	<u>\$ 6,589,539</u>

The accompanying notes are an integral part of these financial statements

## STATE OF TEXAS

Parmer County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position  
December 31, 2015

Exhibit B-1

Page 2 of 2

Amounts reported for governmental activities in the Statement of  
Net Position is different because:

Fund balances - total governmental funds	\$ 3,301,192
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	5,237,780
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	3,210,454
Deferred outflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds	
Employer contributions subsequent to measurement date	187,266
Projected and actual earnings on pension assets	65,632
Net difference between expected and actual experience	22,102
Certain liabilities, including bonds payable, and current and long-term portions of accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued interest payable	(17,444)
Net pension liability	(214,187)
Loans and capital leases	(316,563)
Certificates of obligation	(1,685,000)
Net position - governmental activities	<u>\$ 9,791,232</u>

**STATE OF TEXAS**  
**Parmer County**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2015**

Exhibit B-2  
Page 1 of 2

	General Fund	Farm to Market Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
<i>Revenues:</i>					
Taxes:					
Property	\$ 2,459,449	\$ 724,898	\$ 218,599	\$ 273,271	\$ 3,676,217
Intergovernmental:					
State operating grants	63,991	30,621	-	-	94,612
Fines, forfeitures and settlements	-	-	-	176,928	176,928
Licenses and permits	19,312	499,108	-	-	518,420
Charges for services	348,140	3,065	-	-	351,205
Investment income	11,381	5,184	565	2,625	19,755
Miscellaneous	109,735	110,444	-	-	220,179
<i>Total revenue</i>	<u>3,012,008</u>	<u>1,373,320</u>	<u>219,164</u>	<u>452,824</u>	<u>5,057,316</u>
<i>Expenditures:</i>					
Current:					
General government	1,118,137	-	-	-	1,118,137
Judicial	602,502	-	-	133,444	735,946
Financial administration	273,659	-	-	-	273,659
Public safety	1,317,512	-	-	4,535	1,322,047
Health and welfare	106,361	-	-	-	106,361
Road and bridge	-	1,244,100	-	-	1,244,100
Capital outlay	61,908	400,400	-	-	462,308
Debt service:					
Principal	20,000	68,722	190,000	-	278,722
Interest	132	6,135	41,075	-	47,342
Administration fee	-	-	400	-	400
<i>Total expenditures</i>	<u>3,500,211</u>	<u>1,719,357</u>	<u>231,475</u>	<u>137,979</u>	<u>5,589,022</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(488,203)</u>	<u>(346,037)</u>	<u>(12,311)</u>	<u>314,845</u>	<u>(531,706)</u>
<i>Other financing sources (uses)</i>					
Loan proceeds	39,000	178,400	-	-	217,400
Transfers in	-	200,000	-	-	200,000
Transfers (out)	-	-	-	(200,000)	(200,000)
<i>Total other financing sources (uses)</i>	<u>39,000</u>	<u>378,400</u>	<u>-</u>	<u>(200,000)</u>	<u>217,400</u>
<i>Net change in fund balances</i>	<u>(449,203)</u>	<u>32,363</u>	<u>(12,311)</u>	<u>114,845</u>	<u>(314,306)</u>
<i>Fund balances - beginning of year</i>	<u>2,087,244</u>	<u>918,591</u>	<u>161,252</u>	<u>448,411</u>	<u>3,615,498</u>
<i>Fund balances - end of year</i>	<u>\$ 1,638,041</u>	<u>\$ 950,954</u>	<u>\$ 148,941</u>	<u>\$ 563,256</u>	<u>\$ 3,301,192</u>

The accompanying notes are an integral part of these financial statements



## STATE OF TEXAS

## Parmer County

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2015

Exhibit B-2

Page 2 of 2

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Net change in fund balances - total governmental funds	\$	(314,306)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In addition, the value of assets traded in is recognized in the Statement of Activities, where it is offset by the book value of capital assets disposed.

Capital expenditures	462,308
Value received on trade in of capital assets	629,493
Depreciation expense	(567,232)
Book value of capital assets disposed	(324,592)

Revenues in the Statement of Activities that do not provide current financial  
resources are not reported as revenue in the funds:

Change in unavailable revenue related to property taxes receivable	305,420
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Governmental funds report County pension contributions as expenditures. However  
in the Statement of Activities, the cost of pension benefits earned net of employee  
contributions is reported as pension expense

County pension contributions	187,266
Pension expense	(117,224)

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial  
resources to governmental funds, while the repayment of the principal of long-term  
debt consumes the current financial resources of governmental funds. Neither  
transaction, however, has any effect on the Statement of Activities:

Decrease in accrued interest payable	2,691
Loan proceeds	(217,400)
Principal payments on certificates of obligation	190,000
Principal payments on notes and leases payable	88,722

Change in net position of governmental activities	\$	<u>325,146</u>
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**STATE OF TEXAS**  
**Parmer County**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2015**

	Juvenile Probation Fund	County Attorney Check Collection	District Attorney Check Collection	County Attorney Forfeiture Fund	District Attorney Forfeiture Fund
<i>Assets</i>					
Cash	\$ 3,887	\$ 28,876	\$ 4,970	\$ 4,753	\$ 79,163
<i>Total assets</i>	<u>\$ 3,887</u>	<u>\$ 28,876</u>	<u>\$ 4,970</u>	<u>\$ 4,753</u>	<u>\$ 79,163</u>
<i>Liabilities</i>					
Due to others	\$ 3,887	\$ 28,876	\$ 4,970	\$ 4,753	\$ 79,163
<i>Total liabilities</i>	<u>\$ 3,887</u>	<u>\$ 28,876</u>	<u>\$ 4,970</u>	<u>\$ 4,753</u>	<u>\$ 79,163</u>

The accompanying notes are an integral part of these financial statements

<u>District Attorney Special Fund</u>	<u>District Attorney Seizure Fund</u>	<u>Parmer County Attorney Pretrial Fund</u>	<u>County Clerk Trust Accounts</u>	<u>District Clerk Trust Accounts</u>	<u>Parmer County Permanent School Fund</u>	<u>Bovina Permanent School Fund</u>
<u>\$ 3,679</u>	<u>\$ 15,188</u>	<u>\$ 8,073</u>	<u>\$ 59,700</u>	<u>\$ 45,721</u>	<u>\$ 727,493</u>	<u>\$ 552,786</u>
<u><u>\$ 3,679</u></u>	<u><u>\$ 15,188</u></u>	<u><u>\$ 8,073</u></u>	<u><u>\$ 59,700</u></u>	<u><u>\$ 45,721</u></u>	<u><u>\$ 727,493</u></u>	<u><u>\$ 552,786</u></u>
<u>\$ 3,679</u>	<u>\$ 15,188</u>	<u>\$ 8,073</u>	<u>\$ 59,700</u>	<u>\$ 45,721</u>	<u>\$ 727,493</u>	<u>\$ 552,786</u>
<u><u>\$ 3,679</u></u>	<u><u>\$ 15,188</u></u>	<u><u>\$ 8,073</u></u>	<u><u>\$ 59,700</u></u>	<u><u>\$ 45,721</u></u>	<u><u>\$ 727,493</u></u>	<u><u>\$ 552,786</u></u>

STATE OF TEXAS  
Parmer County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
December 31, 2015

Exhibit C-1  
Page 2 of 2

	Parmer County Sheriff	Parmer County Jail Commissary	Parmer County Inmate Trust	Other Departments	Totals
<i>Assets</i>					
Cash	\$ 4,093	\$ 17,491	\$ 4,956	\$ 125,909	\$ 1,686,738
<i>Total assets</i>	<u>\$ 4,093</u>	<u>\$ 17,491</u>	<u>\$ 4,956</u>	<u>\$ 125,909</u>	<u>\$ 1,686,738</u>
<i>Liabilities</i>					
Due to others	\$ 4,093	\$ 17,491	\$ 4,956	\$ 125,909	\$ 1,686,738
<i>Total liabilities</i>	<u>\$ 4,093</u>	<u>\$ 17,491</u>	<u>\$ 4,956</u>	<u>\$ 125,909</u>	<u>\$ 1,686,738</u>

The accompanying notes are an integral part of these financial statements

**State of Texas**  
**Parmer County**  
**Notes to the Financial Statements**  
**December 31, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution and Vernon's Annotated Civil Statutes. Parmer County (the "County") operates under a county judge/commissioners' court type government as provided by state statute. The Commissioners' Court has governance responsibilities over all activities related to the County. The County is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board (GASB), Statement No. 14, "The Financial Reporting Entity." There are no component units included within the reporting entity.

The County provides the following services to its citizens: public safety, public transportation (roads and bridges), health and welfare, judicial and legal, and general and financial administrative services.

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

During the year ended December 31, 2015, the County adopted GASB Statements No. 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27 ("GASB 68"), and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68 ("GASB 71"). These two Statements are required to be implemented at the same time. GASB 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governments through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit plan, plan assets are also legally protected from creditors of the plan members.

GASB 68 establishes standards for measuring and recognizing liabilities, assets, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. As a result of the implementation of GASB 68, the government recognized a net pension liability (asset) ("NPL" or "NPA") measured as of a date no later than the end of its prior fiscal year. If the government employer makes a contribution to the pension plan subsequent to the measurement date but prior to the end of the current fiscal year, GASB 68 requires the government to recognize that contribution as a deferred outflow of resources. In addition, GASB 68 requires the recognition of deferred outflows of resources and deferred inflows of resources for changes in the NPL or NPA that arise from other types of events, but does not require the government to recognize beginning deferred outflows of resources or deferred inflows of resources if the amounts are not practical to estimate.

At transition to Statement 68, Statement 71 requires the employer or nonemployer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability (asset) but before the start of the government's fiscal year, thus avoiding possible understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This pronouncement has materially impacted the financial statements and additional disclosures are included in the notes to the financial statements to highlight the effects.

**State of Texas**  
**Parmer County**  
Notes to the Financial Statements  
December 31, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*A. Financial Reporting Entity*

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, No. 39, and No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion in the reporting entity. Based upon the application of these criteria, the County does not have any component units required to be reported under GASB Statements, as amended by GASB Statement No. 39 and GASB Statement No. 61.

*B. Government-Wide and Fund Financial Statements*

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County does not have any *business-type activities*.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis by column and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt obligations. The County's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

*C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the eligibility requirements of time, reimbursement, and contingencies imposed by the provider are met.

State of Texas  
Parmer County  
Notes to the Financial Statements  
December 31, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)*

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of County facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The County reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The County does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Under the requirements of GASB Statement No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following:

The *General Fund* is the general operating fund of the County. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

The *Farm to Market (formerly Road and Bridge) Fund* is a special revenue fund of the County. It is used to account for the expenditures of the four different precincts and for the highway and street expenditures.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Additionally, the government reports the following agency fund:

*Fiduciary funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating grants and contributions.

State of Texas  
Parmer County  
Notes to the Financial Statements  
December 31, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance*

**Deposits and Investments:** The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury or the State of Texas, Certificates of Deposit, certain Municipal Securities, Money Market Savings Accounts, repurchase agreements, bankers' acceptances, mutual funds, investment pools, guaranteed investment contracts, and common trust funds.

The County is required by Governmental Code Chapter 2256, Public Funds Investment Act (PFIA), to adopt, implement, and publicize an investment policy. That policy must address the following areas: 1) safety or principal and liquidity, 2) portfolio diversification, 3) allowable investments, 4) acceptable risk levels, 5) expected rates of return, 6) maximum allowable stated maturity of portfolio investments, 7) maximum average dollar weighted maturity allowed based on the stated maturity date for the portfolio, 8) investment staff quality and capabilities, and 9) bid solicitation preferences for certificates of deposit.

**Receivables and Payables:** Interfund activity is reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting funds, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied net of estimated refunds and uncollectable amounts.

Property taxes are levied on October 1<sup>st</sup> in conformity with Subtitle E, Texas Property Code. Property taxes uncollected after February 1<sup>st</sup> are considered delinquent. The taxes attach as an enforceable lien on property as of January 1<sup>st</sup> to secure the payment of all taxes, penalties, and interest ultimately imposed. The Parmer County Appraisal District assesses and collects property taxes for the County. The County is permitted by the Municipal Finance Law of the State to levy taxes up to \$1.25 per \$100 of appraised valuation for general services, permanent improvements, lateral road, and jury fund purposes other than the payment of principal established by the Attorney General of the State of Texas. The tax rates for the year ended December 31, 2015 per \$100 valuation were as follows:

	Fiscal Year Ending 12/31/2016	Fiscal Year Ending 12/31/2015
G.P.A.	0.4055	0.3907
Debt Tax	0.0281	0.0341
Farm to Market (F.M.)	0.1080	0.1048
	<u>0.5416</u>	<u>0.5296</u>

**Restricted Assets:** Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. The Farm to Market Fund is used to report resources set aside for expenditures related to the maintenance or construction of highways and streets. The Debt Service Fund is used to report resources set aside for the payment of long-term debt principal and interest. Funds set aside for records management within the General Fund are restricted by Texas law.



State of Texas  
Parmer County  
Notes to the Financial Statements  
December 31, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)*

**Capital Assets:** Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at their historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are recorded as expenses and not capitalized. Renewals and betterments which materially extend the useful lives of the capital assets are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Other improvements	5-20
Machinery and equipment	3-10

**Deferred Outflows of Resources:** In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The County has three types of items that qualify for reporting in this category. Accordingly, the items, differences between expected and actual experience of \$22,102, net difference between projected and actual earnings of \$65,632, and employer contributions subsequent to the measurement date of \$187,266, are considered deferred outflows of resources. These amounts are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the next period.

**Pensions:** For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about fiduciary net position of the County's employees' pension plan (TCDRS) and additions to/deductions from TCDRS fiduciary net position have been determined on the same basis as they are reported by the TCDRS. For this purpose, benefit payments (including refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through December 31, 2015, along with applicable Texas County and District Retirement System (TCDRS), FICA, and Medicare accruals.

**Deferred Inflows of Resources:** In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The County has items which arise under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue – property taxes, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County has recorded \$3,210,454 related to property taxes, which are considered “unavailable.”

**State of Texas**  
**Parmer County**  
Notes to the Financial Statements  
December 31, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)*

**Long-Term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. For bonds issued after GASB Statement No. 34 was implemented, bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. For fund financial reporting, bond premiums and discounts, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Fund Balance Classification Policies and Procedures:** For committed fund balance, the County's highest level of decision-making authority is the Commissioner's Court. The formal action that is required to be taken to establish a fund balance commitment is the Commissioner's Court.

For assigned fund balance, the Commissioner's Court or an official body to which the Commissioner's Court delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the County considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the County considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**Restricted Fund Balance:** At December 31, 2015, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$712,197 for various County operations as restricted by enabling legislation. The details of these fund balance items are located on the governmental funds Balance Sheet on page 22.

**Minimum Fund Balance Policy:** The County does not have a policy for maintaining a minimum amount of fund balance for operations.

**Net Position:** Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position: All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the County's financial statements include the allowance for uncollectible accounts for property taxes and fines and fees, and the useful lives of capital assets.

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Budgetary Information*

Annual budgets of the County are prepared prior to October 1<sup>st</sup> and must be approved by resolution of the Commissioner's Court. Once the budget has been formally approved, any amendments must also be approved by the Commissioner's Court. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total at the fund level.

These budgets are prepared on the Non-GAAP cash budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been properly amended by Commissioner's Court in accordance with the above procedures.

The accompanying Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended December 31, 2015 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

**NOTE 3 – DEPOSITS AND INVESTMENTS**

Statutes authorize the County to invest in 1) obligations of the U.S. Treasury of the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) money market savings accounts, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) common trust funds. The County is required by Governmental Code Chapter 2256, Public Funds Investment Act (PFIA), to adopt, implement, and publicize an investment policy. That policy must address the following areas: 1) safety or principal and liquidity, 2) portfolio diversification, 3) allowable investments, 4) acceptable risk levels, 5) expected rates of return, 6) maximum allowable state maturity of portfolio investments, 7) maximum average dollar weighted maturity allowed based on the stated maturity date for the portfolio, 8) investment staff quality and capabilities, and 9) bid solicitation preferences for certificates of deposit. All invested funds of the County properly followed State investments requirements as of December 31, 2015.

Deposits of funds may be made in interest or noninterest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 100% of the deposit amount in excess of the deposit insurance.

All of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for time and savings deposits, and, separately, up to the standard maximum deposit insurance amount of \$250,000 for demand deposit accounts.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. At December 31, 2015, \$4,555,962 of the County's bank balance of \$5,055,962 was exposed to custodial credit risk. Although the \$4,555,962 was uninsured, it was collateralized by collateral held by the pledging bank's trust department, not in the County's name. None of the County's deposits were uninsured and uncollateralized at December 31, 2015.

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**NOTE 3 – DEPOSITS AND INVESTMENTS (continued)**

	Muleshoe State Bank	Security State Bank	Total
Amount of deposits	\$ 4,503,176	\$ 552,786	\$ 5,055,962
FDIC coverage	(250,000)	(250,000)	(500,000)
Total uninsured public funds	<u>4,253,176</u>	<u>302,786</u>	<u>4,555,962</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	4,253,176	302,786	4,555,962
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (100%)	\$ 4,253,176	\$ 302,786	\$ 4,555,962
Pledged securities	6,478,311	307,731	6,786,042
Over (under) collateralized	<u>\$ 2,225,135</u>	<u>\$ 4,945</u>	<u>\$ 2,230,080</u>

The types of collateral are limited to direct obligations of the United States Government and all bonds issued by any agency, district, or political subdivisions of the State of Texas.

The County utilizes pooled accounts for some of their funds. The General, Special Revenue, and Agency Funds are all in multiple accounts. Separate accounts also exist for Sheriff's Office confiscation related funds, District Attorney's Office confiscation related funds, and County Attorney forfeiture funds.

Cash designated as restricted on the financial statements is cash held within the State Fees Special Revenue Fund. The use of these funds is restricted by statutes of the State of Texas.

Reconciliation to the Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 3,119,408
Restricted cash and cash equivalents per Exhibit A-1	144,055
Cash and cash equivalents per Exhibit C-1	<u>1,686,738</u>
Total cash and cash equivalents	4,950,201
Add: outstanding checks	125,800
Less: deposits in transit and other items	<u>(20,039)</u>
Bank balance of deposits	<u>\$ 5,055,962</u>

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**NOTE 4 – RECEIVABLES**

Receivables as of December 31, 2015 are as follows:

	General Fund	Farm to Market Funds	Debt Service Fund	Nonmajor Governmental Funds	Total
Property taxes	\$ 2,221,993	\$ 658,531	\$ 195,290	246,710	\$ 3,322,524
Other receivables:					
Fines	2,704,152	-	-	-	2,704,152
Less:					
allowance for doubtful accounts(property tax)	(75,311)	(21,778)	(6,619)	(8,362)	(112,070)
allowance for doubtful accounts (fines)	(2,441,619)	-	-	-	(2,441,619)
due to others (fines)	(146,911)	-	-	-	(146,911)
Total net receivables	<u>\$ 2,262,304</u>	<u>\$ 636,753</u>	<u>\$ 188,671</u>	<u>\$ 238,348</u>	<u>\$ 3,326,076</u>

In accordance with GASB Nos. 33 and 65, property tax revenues in the amount of \$3,210,454, net of allowance, that were not collected within the period of availability or were for a subsequent levy year and not collected within the period of availability, have been reclassified as deferred inflows of resources - unavailable revenue in the governmental fund financial statements.

**NOTE 5 – CAPITAL ASSETS**

The changes in capital assets for the year ended December 31, 2015 are as follows:

	Balance 12/31/14	Additions/ Transfers in	Retirements/ Transfers out	Balance 12/31/15
<b>Nondepreciable assets:</b>				
Land	\$ 43,472	\$ -	\$ -	\$ 43,472
Total nondepreciable assets	43,472	-	-	43,472
<b>Depreciable assets:</b>				
Buildings and improvements	4,079,995	-	-	4,079,995
Other improvements	265,788	-	-	265,788
Machinery and equipment	4,690,508	1,091,801	(897,817)	4,884,492
Total depreciable assets	9,036,291	1,091,801	(897,817)	9,230,275
Accumulated depreciation	(4,041,960)	(567,232)	573,225	(4,035,967)
Governmental activities capital assets, net	<u>\$ 5,037,803</u>	<u>\$ 524,569</u>	<u>\$ (324,592)</u>	<u>\$ 5,237,780</u>

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**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

During the current year, the County traded in a 2010 Caterpillar Motor Grader for a new 2015 Caterpillar Motor Grader. The trade in value of the 2010 Caterpillar Motor Grader was \$171,750 and the book value was \$100,595. The County recorded a capitalized cost on the government wide financial statements in the amount of \$240,150 which was the actual cost of the new Motor Grader, while only recording \$68,400 in the fund financial statements, which was financed through CAT Financial, as the expenditure, which included the trade in value. This resulted in a gain of \$71,155 as noted in Exhibit A-2 and a reconciling item of \$171,750 for capital outlay expenditures as noted at Exhibit B-2.

During the current year, the County traded in a 2009 Caterpillar Motor Grader for a new 2015 Caterpillar Motor Grader. The trade in value of the 2009 Caterpillar Motor Grader was \$155,000 and the book value was \$91,064. The County recorded a capitalized cost on the government wide financial statements in the amount of \$265,000 which was the actual cost of the new Motor Grader, while only recording \$110,000 in the fund financial statements as the expenditure, which was financed through CAT Financial, which included the trade in value. This resulted in a gain of \$63,936 as noted in Exhibit A-2 and a reconciling item of \$155,000 for capital outlay expenditures as noted at Exhibit B-2.

During the current year, the County traded in a 2007 Caterpillar Motor Grader for a new 2015 Caterpillar Motor Grader. The trade in value of the 2007 Caterpillar Motor Grader was \$124,000 and the book value was \$23,750. The County recorded a capitalized cost on the government wide financial statements in the amount of \$264,410 which was the actual cost of the new Motor Grader, while only recording \$140,410 in the fund financial statements as the expenditure, , which included the trade in value. This resulted in a gain of \$100,250 as noted in Exhibit A-2 and a reconciling item of \$124,000 for capital outlay expenditures as noted at Exhibit B-2.

During the current year, the County traded in a 2010 Caterpillar Motor Grader for a new 2015 Caterpillar Motor Grader. The trade in value of the 2010 Caterpillar Motor Grader was \$167,750 and the book value was \$106,332. The County recorded a capitalized cost on the government wide financial statements in the amount of \$236,340 which was the actual cost of the new Motor Grader, while only recording \$68,590 in the fund financial statements as the expenditure, , which included the trade in value. This resulted in a gain of \$61,418 as noted in Exhibit A-2 and a reconciling item of \$167,750 for capital outlay expenditures as noted at Exhibit B-2.

During the current year, the County traded in a 2011 Chevy Tahoe for a new 2014 Chevy Tahoe. The trade in value of the 2011 Chevy Tahoe was \$10,993 and the book value was \$2,851. The County recorded a capitalized cost on the government wide financial statements in the amount of \$36,959 which was the actual cost of the new Chevy Tahoe, while only recording \$25,966 in the fund financial statements as the expenditure, which included the trade in value. This resulted in a gain of \$8,142 as noted in Exhibit A-2 and a reconciling item of \$10,993 for capital outlay expenditures as noted at Exhibit B-2.

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**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

Capital outlay reconciliation:

\$ 1,091,801	Capital outlay listed above
(171,750)	Trade in of 2010 Caterpillar Motor Grader
(155,000)	Trade in of 2009 Caterpillar Motor Grader
(124,000)	Trade in of 2007 Caterpillar Motor Grader
(167,750)	Trade in of 2009 Caterpillar Motor Grader
(10,993)	Trade in of 2011 Chevrolet Tahoe
<u>\$ 462,308</u>	Capital outlay per Exhibit B-2

Gain on disposal of capital assets reconciliation:

\$ 71,155	Gain on trade in of 2010 Caterpillar Motor Grader
63,936	Gain on trade in of 2009 Caterpillar Motor Grader
100,249	Gain on trade in of 2007 Caterpillar Motor Grader
61,418	Gain on trade in of 2009 Caterpillar Motor Grader
8,142	Gain on trade in of 2011 Chevrolet Tahoe
<u>\$ 304,900</u>	Gain on disposal of capital assets per Exhibit A-2

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

General government	\$ 29,631
Public safety	147,559
Road & bridge	<u>390,042</u>
Total depreciation expense	<u>\$ 567,232</u>

**NOTE 6 – LONG-TERM OBLIGATIONS**

The following is a summary of changes in general long-term debt:

	Balance 12/31/14	Additions	Retirements	Balance 12/31/15	Due Within One Year
Land notes	\$ 46,606	\$ -	\$ (22,624)	\$ 23,982	\$ 23,982
Equipment capital leases	141,279	217,400	(66,098)	292,581	114,871
Certificates of obligation	1,875,000	-	(190,000)	1,685,000	190,000
Total	<u>\$ 2,062,885</u>	<u>\$ 217,400</u>	<u>\$ (278,722)</u>	<u>\$ 2,001,563</u>	<u>\$ 328,853</u>

The following is a summary of the debt service requirements of the land note:

Year	Principal	Interest	Total
2016	\$ 23,982	\$ 1,439	\$ 25,421
Total	<u>\$ 23,982</u>	<u>\$ 1,439</u>	<u>\$ 25,421</u>

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**NOTE 6 – LONG-TERM OBLIGATIONS**

The following is a summary of debt service requirements for the certificates of obligation:

Year	Principal	Interest	Total
2016	\$ 190,000	\$ 37,275	\$ 227,275
2017	205,000	33,325	238,325
2018	195,000	29,325	224,325
2019	210,000	24,750	234,750
2020	215,000	19,437	234,437
2021-2023	670,000	25,499	695,499
Total	<u>\$ 1,685,000</u>	<u>\$ 169,611</u>	<u>\$ 1,854,611</u>

The following is a summary of the debt service requirements of the equipment capital leases:

Year	Principal	Interest	Total
2016	\$ 114,871	\$ 6,615	\$ 121,486
2017	98,046	4,293	102,339
2018	51,129	1,922	53,051
2019	28,535	713	29,248
Total	<u>\$ 292,581</u>	<u>\$ 13,543</u>	<u>\$ 223,825</u>

Land Note

Farm to Market Precinct #3 borrowed \$125,000 from Nathan and Fern Tharp for the purpose of acquiring 3.76 acres of land and a barn. Principal and interest payments are due annually on January 15<sup>th</sup>, maturing in January 2016. This is a 6.0% interest note. The outstanding balance at December 31, 2015 was \$23,982.

Certificates of Obligation

On February 23, 2012, the County entered into a limited tax refunding bond series 2012 in the amount of \$2,080,000 due in annual installments on February 15<sup>th</sup>, with interest rates of 2.0% to 2.5% paid semiannually on February 15<sup>th</sup> and August 15<sup>th</sup> through February 2023. The balance at December 31, 2015 is \$1,685,000.

Equipment Capital Leases

Farm to Market Precinct #1 borrowed \$98,500 from Security State Bank for the purpose of acquiring a Motor Grader. Principal and interest payments are due annually. The note matures in 2017. This is a 2.5% percent interest note. The outstanding balance at December 31, 2015 was \$50,465.

Farm to Market Precinct #1 borrowed \$66,500 from CAT Financial for the purpose of acquiring a Motor Grader. Principal and interest payments are due annually. The note matures in 2017. This is a 2.2% percent interest note. The outstanding balance at December 31, 2015 was \$44,716.

Farm to Market Precinct #1 borrowed \$68,400 from CAT Financial for the purpose of acquiring a Motor Grader. Principal and interest payments are due annually. The note matures in 2018. This is a 2.2% percent interest note. The outstanding balance at December 31, 2015 was \$68,400.

Farm to Market Precinct #2 borrowed \$110,000 from CAT Financial for the purpose of acquiring a Motor Grader. Principal and interest payments are due annually. The note matures in 2019. This is a 2.5% percent interest note. The outstanding balance at December 31, 2015 was \$110,000.

The General Fund financed a purchase in the amount of \$39,000 from Net Data Corp. for the purpose of acquiring RVI software. Principal and interest payments are due annually. The note matures in 2016. This is a 0% percent interest note. The outstanding balance at December 31, 2015 was \$19,000.



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**NOTE 7 – INTERFUND TRANSFERS**

Transfers within the County are for the purposes of subsidizing operating functions on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. Interfund transfers are transactions between funds transferring funds out of one fund to support the operations of another fund.

Transfers In	Transfer Out	Amount
Farm to Market Fund (Precinct 1)	Contingency Fund	\$ 50,000
Farm to Market Fund (Precinct 2)	Contingency Fund	50,000
Farm to Market Fund (Precinct 3)	Contingency Fund	50,000
Farm to Market Fund (Precinct 4)	Contingency Fund	50,000
		<u>\$ 200,000</u>

**NOTE 8 – TCDRS RETIREMENT PLAN**

**Plan Description:** Substantially all of Parmer County's full-time employees participate in a nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contribution to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

**Funding Policy:** The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of the employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 5.81% for the months of the accounting year in 2015, and 8.81% for the months in the accounting year in 2014. The contribution rate payable by the employee members for calendar years 2015 and 2014 was the rate of 7.0% as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

**Net Pension Liability (Asset)** – The TCDRS pension liability (asset) amounts, net pension liability (asset) amounts, and sensitivity information were based on an annual actuarial valuation performed as of December 31, 2014. The TCDRS pension asset amounts were rolled forward from the valuation date to the Plan year ending December 31, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date December 31, 2014.

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**NOTE 8 – TCDRS RETIREMENT PLAN (continued)**

**Other Key Actuarial Assumptions.** The actuarial assumptions that determined the total pension asset as of December 31, 2014 were based on the results of an actuarial experience study for the period January 1, 2009 - December 31, 2012, except where required to be different by GASB 68.

Valuation date	Dec. 31, 2013	Dec. 31, 2014
Measurement date	Dec. 31, 2013	Dec. 31, 2014
Reporting date	Employer Beg. Fiscal Year	Employer FYE

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2015 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2009 – December 31, 2013 for more details.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities - Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.15%

<sup>1</sup>Target asset allocation adopted at the April 2015 TCDRS Board meeting.

<sup>2</sup>Geometric real rates of return in addition to assumed inflation of 1.7%, per Cliffwater's 2015 capital market assumptions.

<sup>3</sup>Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

<sup>4</sup>Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

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**NOTE 8 – TCDRS RETIREMENT PLAN (continued)**

**Net Pension Liability (Asset)**

	<u>December 31, 2013</u>	<u>December 31, 2014</u>
Total pension liability	\$ 7,061,795	\$ 7,502,935
Fiduciary net position	6,866,423	7,288,748
Net pension liability	195,372	214,187
Fiduciary net position as a % of total pension liability	97.23%	97.15%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actual assumptions below.

	<u>December 31, 2013</u>	<u>December 31, 2014</u>
Discount rate	8.10%	8.10%
Long-term expected rate of return, net of investment expense	8.10%	8.10%

**Changes in Net Pension Liability (Asset)**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance as of December 31, 2013	\$ 7,061,795	\$ 6,866,423	\$ 195,372
Changes for the year:			
Service cost	256,298	-	256,298
Interest on total pension liability (1)	565,881	-	565,881
Effect of economic/demographic gains or losses	29,470	-	29,470
Refund of contributions	(24,887)	(24,887)	-
Benefit payments	(385,622)	(385,622)	-
Administrative expenses		(5,448)	5,448
Member contributions		147,899	(147,899)
Net investment income	-	477,401	(477,401)
Employer contributions	-	186,143	(186,143)
Other (2)	-	26,839	(26,839)
Balances as of December 31, 2014	<u>\$ 7,502,935</u>	<u>\$ 7,288,748</u>	<u>\$ 214,187</u>

<sup>1</sup>Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

<sup>2</sup>Related to allocation of system-wide items.

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**NOTE 8 – TCDRS RETIREMENT PLAN (continued)**

	<u>Deferred Outflow of Resources</u>
Differences between expected and actual experience	\$ 22,102
Net difference between projected and actual earnings on pension plan investments	65,632
County's contributions subsequent to the measurement date	<u>187,266</u>
Total	<u>\$ 275,000</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2015	23,776
2016	23,776
2017	23,776
2018	16,406

***Sensitivity of the Employer's proportionate share of the net pension liability (asset) to changes in the discount rate.*** The following table shows the sensitivity of the net pension liability (asset) to changes in the discount rate. In particular, the tables present the County's net pension liability (asset) in the plan that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (7.10%) or one percentage point higher (9.10%) than the single discount rate.

	<u>1% Decrease 7.10%</u>	<u>Current Discount Rate 8.10%</u>	<u>1% Increase 9.10%</u>
County's proportionate share of the net pension liability (asset)	<u>\$ 1,006,492</u>	<u>\$ 214,187</u>	<u>\$ (448,698)</u>

**Payables to the pension plan:** At December 31, 2015 there were no contributions due and payable to the plan for the County.

**NOTE 9 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; and natural disasters. During calendar year 2015, the County purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past calendar year and there were no settlements exceeding insurance coverage for each of the past three calendar years.

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**NOTE 10 – OPERATING LEASE - LESSOR**

The County has entered into an oil and gas lease with Pioneer Natural Resources Purchasing. This lease covers 100% of the County's unleased minerals in leagues 315, 316 and 317. The lease proceeds for 2015 were \$265,663 which were deposited into the Parmer County Permanent School Fund. Both the Permanent and Available School Funds are considered agency funds. Therefore, these funds are being held for the benefit of a third party and cannot be used to address activities or obligations of the government. The lease proposal will also bring a 20% annual royalty.

**NOTE 11 – CONTINGENT LIABILITIES**

The County is party to various claims and lawsuits arising in the normal course of business. The County is insured through the Texas Association of Counties Risk Management Pool. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the County.

**NOTE 12 – COMMITMENTS**

The County does not have any significant construction or other significant commitments as of December 31, 2015.

**NOTE 13 – SUBSEQUENT EVENTS**

The date to which events occurring after December 31, 2015, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is May 19, 2016, which is the date on which the financial statements were issued.

**NOTE 14 - CONCENTRATIONS**

The County depends on financial resources flowing from, or associated with, both the constituents of the County and the State of Texas. Because of this dependency, the County is subject to changes in the specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

**NOTE 15 – JOINT POWERS AGREEMENTS**

Leasing of Automark Voting Machines to Bovina Independent School District, Friona Independent School District, City of Bovina, and City of Farwell

Participants:	Parmer County Bovina Independent School District Friona Independent School District City of Bovina City of Farwell
Description:	Parmer County will lease the Automark voting machines to the participants listed above for specific dates as needed.
Terms of agreement:	January 1, 2015 through December 31, 2015

**State of Texas**  
**Parmer County**  
**Notes to the Financial Statements**  
**December 31, 2015**

**NOTE 15 – JOINT POWERS AGREEMENTS (continued)**

Housing of Prisoners Parmer County and Curry County

Participants:	Parmer County Curry County
Description:	The Parmer County Detention Center will house prisoners from Curry County at its facility in Farwell, Texas on a space available basis.
Terms of agreement:	January 1, 2010 through December 15, 2015
Amount of project:	Curry County will pay \$45 per day

**NOTE 16 – NET POSITION RESTATEMENT**

The County has a prior period adjustment of \$9,229, which was required for implementation of GASB Statement No. 68 and GASB Statement No. 71. The adjustment reflects a beginning net pension asset of \$195,372 and a beginning deferred outflow of resources – employer contributions subsequent to measurement date of \$186,143.

**NOTE 17 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

Excess of expenditures over appropriations: The following funds exceeded approved budgetary authority for the year ended December 31, 2015.

Farm to Market Fund	\$	92,778
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This over-expenditure of budget was due to a journal entry to recognize capital outlay expenditures for the purchase of equipment under a capital lease.

Jury Fund	\$	41
-----------	----	----

This over-expenditure of budget was due to no budget adjustment being made at year end for excess expenses.

State Fees Fund	\$	125,928
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This fund is not budgeted by the County.

**NOTE 18 – SUBSEQUENT PRONOUNCEMENTS**

In February 2015, GASB Statement No. 72 *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended December 31, 2016. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the County.

In June 2015, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This pronouncement will not effect the County's financial statements.

**State of Texas**  
**Parmer County**  
**Notes to the Financial Statements**  
**December 31, 2015**

**NOTE 18 – SUBSEQUENT PRONOUNCEMENTS (continued)**

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended December 31, 2018. This pronouncement will not effect the County's financial statements.

In June 2015, GASB Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended December 31, 2016. The County does not expect this pronouncement to have a material effect on the financial statements.

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended December 31, 2017. The County is still evaluating how this pronouncement will affect the financial statements.

In December 2015, GASB Statement No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, was issued. Effective Date: The provision of this statement are effective for financial for periods beginning after December 15, 2015. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In December 2015, GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*, was issued. Effective Date: The provision of this statement are effective for financial for periods beginning after June 15, 2015, except for the provision paragraphs 18, 19, 23-26 and 40, which are effective for financial for periods beginning after December 15, 2015. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In January 2016, GASB Statement No. 80 *Blending Requirements for Certain Component Units*, an amendment to Certain Provisions of GASB Statement No. 14, was issued. Effective Date: The provision of this statement are effective for financial for periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

## STATE OF TEXAS

Schedule I

Parmer County

General Fund

## Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes				
Property	\$ 2,553,971	\$ 2,553,971	\$ 2,459,449	\$ (94,522)
Intergovernmental income:				
State operating grants	50,300	50,300	63,991	13,691
Fines, forfeitures and settlements	17,500	17,500	19,312	1,812
Charges for services	366,750	366,750	402,841	36,091
Investment income	27,500	27,500	11,381	(16,119)
Miscellaneous	50,000	50,000	109,735	59,735
<i>Total revenues</i>	<u>3,066,021</u>	<u>3,066,021</u>	<u>3,066,709</u>	<u>688</u>
<i>Expenditures:</i>				
Current:				
General administration	904,910	1,108,291	1,067,594	40,697
Judicial	629,999	645,100	599,360	45,740
Financial administration	290,996	290,996	273,617	17,379
Public safety	1,396,665	1,396,665	1,305,835	90,830
Health and welfare	120,555	120,555	106,893	13,662
Capital outlay	120,900	120,900	101,084	19,816
Debt Service:				
Principal	-	-	20,000	(20,000)
Interest	-	-	134	(134)
<i>Total expenditures</i>	<u>3,464,025</u>	<u>3,682,507</u>	<u>3,474,517</u>	<u>207,990</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(398,004)</u>	<u>(616,486)</u>	<u>(407,808)</u>	<u>208,678</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	398,004	616,486	-	(616,486)
Loan proceeds	-	-	39,000	39,000
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>398,004</u>	<u>616,486</u>	<u>39,000</u>	<u>(577,486)</u>
<i>Net change in fund balance</i>	-	-	(368,808)	(368,808)
<i>Fund balance - beginning of year</i>	-	-	1,948,623	1,948,623
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,579,815</u>	<u>\$ 1,579,815</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (368,808)
Adjustments to revenues for receivables				(54,701)
Adjustments to expenditures for accruals and accounts payable				(25,694)
Net change in fund balance (GAAP)				<u>\$ (449,203)</u>

See independent auditors' report

## STATE OF TEXAS

Parmer County

Farm to Market Combined Special Revenue Funds

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

Schedule II

Page 1 of 2

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ 752,491	\$ 752,491	\$ 724,898	\$ (27,593)
Intergovernmental income				
State operating grants	32,050	32,050	30,621	(1,429)
Licenses and permits	503,050	503,050	499,108	(3,942)
Charges for services	6,000	6,000	3,065	(2,935)
Investment income	9,200	9,200	5,184	(4,016)
Miscellaneous	72,250	72,250	110,444	38,194
<i>Total revenues</i>	<u>1,375,041</u>	<u>1,375,041</u>	<u>1,373,320</u>	<u>(1,721)</u>
<i>Expenditures:</i>				
Precinct #1				
Salaries and fringe benefits	207,092	207,092	209,332	(2,240)
Insurance	9,832	9,832	9,149	683
Materials and supplies	21,850	21,850	19,158	2,692
Fuel	42,750	42,750	35,653	7,097
Conference	3,000	3,000	2,925	75
Other	27,500	27,500	15,449	12,051
<i>Total Precinct #1</i>	<u>312,024</u>	<u>312,024</u>	<u>291,666</u>	<u>20,358</u>
Precinct #2				
Salaries and fringe benefits	200,936	200,936	181,334	19,602
Insurance	8,088	8,088	8,168	(80)
Materials and supplies	10,550	10,550	19,699	(9,149)
Fuel	46,500	46,500	41,834	4,666
Conference	3,000	3,000	1,887	1,113
Other	29,100	29,100	19,963	9,137
<i>Total Precinct #2</i>	<u>298,174</u>	<u>298,174</u>	<u>272,885</u>	<u>25,289</u>
Precinct #3				
Salaries and fringe benefits	201,035	212,360	216,683	(4,323)
Insurance	9,489	9,489	10,141	(652)
Materials and supplies	9,650	21,352	21,457	(105)
Fuel	61,400	61,400	43,911	17,489
Conference	3,500	3,500	1,415	2,085
Other	25,750	25,750	37,191	(11,441)
<i>Total Precinct #3</i>	<u>310,824</u>	<u>333,851</u>	<u>330,798</u>	<u>3,053</u>
Precinct #4				
Salaries and fringe benefits	222,150	257,031	254,250	2,781
Insurance	7,645	7,645	6,436	1,209
Materials and supplies	8,850	8,850	27,331	(18,481)
Fuel	62,750	62,750	41,947	20,803
Conference	2,500	2,500	1,836	664
Other	21,450	21,450	22,071	(621)
<i>Total Precinct #4</i>	<u>325,345</u>	<u>360,226</u>	<u>353,871</u>	<u>6,355</u>

See independent auditors' report

**STATE OF TEXAS**  
**Parmer County**  
**Farm to Market Combined Special Revenue Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended December 31, 2015**

Schedule II  
Page 2 of 2

	Budgeted Amounts		Actual	Variances Favorable
	Original	Final		Final to Actual
Capital outlay				
Precinct #1	50,000	50,000	68,400	(18,400)
Precinct #2	30,000	30,000	110,000	(80,000)
Precinct #3	120,000	176,034	153,410	22,624
Precinct #4	60,405	68,590	68,590	-
<i>Total capital outlay</i>	<u>260,405</u>	<u>324,624</u>	<u>400,400</u>	<u>(75,776)</u>
Debt service:				
Precinct #1:				
Principal	-	-	46,098	(46,098)
Interest	-	-	3,339	(3,339)
Precinct #2:				
Principal	-	-	-	-
Interest	-	-	-	-
Precinct #3:				
Principal	-	-	22,624	(22,624)
Interest	2,800	2,800	2,796	4
Precinct #4:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total debt service</i>	<u>2,800</u>	<u>2,800</u>	<u>74,857</u>	<u>(72,057)</u>
<i>Total expenditures</i>	<u>1,509,572</u>	<u>1,631,699</u>	<u>1,724,477</u>	<u>(92,778)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(134,531)</u>	<u>(256,658)</u>	<u>(351,157)</u>	<u>(94,499)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(65,469)	56,658	-	(56,658)
Loan proceeds	-	-	178,400	178,400
Transfers in	200,000	200,000	200,000	-
<i>Total other financing sources (uses)</i>	<u>134,531</u>	<u>256,658</u>	<u>378,400</u>	<u>121,742</u>
<i>Net change in fund balance</i>	-	-	27,243	27,243
<i>Fund balance - beginning of year</i>	-	-	938,656	938,656
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 965,899</u>	<u>\$ 965,899</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 27,243
No adjustments to revenue				-
Adjustments to expenditures for accruals and accounts payable				5,120
Net change in fund balance (GAAP)				<u>\$ 32,363</u>

## STATE OF TEXAS

Schedule III

## Parmer County

Schedule of Changes in the County's Net Pension Asset and Related Ratios  
Last 10 Fiscal Years\*

	2015 Measurement Date (As of and for the year ended <u>December 31, 2014</u> )
<b>Total Pension Liability</b>	
Service cost	\$ 256,298
Interest on total pension liability	565,881
Effect of economic/demographic (gain) or losses	29,470
Benefit payments/refunds of contributions	<u>(410,509)</u>
Net change in total pension liability	441,140
Total pension liability, beginning	<u>7,061,795</u>
Total pension liability, ending (a)	<u><u>\$ 7,502,935</u></u>
<b>Fiduciary Net Position</b>	
Employer contributions	\$ 186,143
Member contributions	147,899
Investment income net of investment expenses	477,401
Benefit payments/refunds of contributions	(410,509)
Administrative expenses	(5,448)
Other	<u>26,839</u>
Net change in fiduciary net position	422,325
Fiduciary net position, beginning	<u>6,866,423</u>
Fiduciary net position, ending (b)	<u><u>\$ 7,288,748</u></u>
Net pension liability / (asset) = (a) - (b)	<u><u>\$ 214,187</u></u>
Fiduciary net position as a % of total pension liability	97.15%
Pensionable covered payroll	\$ 2,112,847
Net pension liability as a % of covered payroll	10.14%

\* The amounts presented were determined as of December 31. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Parmer County will present information for those years for which information is available.

**STATE OF TEXAS**  
**Parmer County**  
**Schedule of County's Contributions**  
**Texas County and District Retirement System**  
**Last 10 Fiscal Years\***

Schedule IV

	As of and for the year ended December 31, 2015
Actuarial determined contributions	\$ 187,266
Contributions in relation to the contractually required contribution	(187,266)
Contribution deficiency (excess)	\$ -
Parmer County's covered-employee payroll	\$ 2,094,853
Contributions as a percentage of covered-employee payroll	8.9%

**Notes to required supplementary information**

<i>Valuation Timing</i>	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<i>Actuarial Cost Method</i>	Entry Age Normal <sup>1</sup>
<i>Asset Valuation Method</i>	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
<i>Inflation</i>	Same as funding valuation: See Appendix B to Valuation Report for Parmer County
<i>Salary Increases</i>	Same as funding valuation: See Appendix B to Valuation Report for Parmer County
<i>Investment Rate of Return</i>	8.10%
<i>Cost-of-Living Adjustments</i>	Cost-of-Living Adjustment for Parmer County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustment is included in the GASB calculations. No assumption for future cost-of-living adjustment is included in the funding valuation.
<i>Retirement Age</i>	Same as funding valuation: See Appendix B to Valuation Report for Parmer County
<i>Turnover</i>	Same as funding valuation: See Appendix B to Valuation Report for Parmer County
<i>Mortality</i>	Same as funding valuation: See Appendix B to Valuation Report for Parmer County

\* The amounts presented were determined as of December 31, 2015. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Parmer County will present information for those years for which information is available.

See independent auditors' report

## **SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF TEXAS**  
**Parmer County**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2015**

Statement A-1

	Special Revenue					
	Jury Fund	Permanent Improvement Fund	Parmer County Forfeiture Fund	Contingency Fund	State Fees Fund	Total Nonmajor Governmental Funds
<i>Assets</i>						
Cash and cash equivalents	\$ 67,746	\$ 153,572	\$ 42,301	\$ 161,134	\$ 144,055	\$ 568,808
Receivables:						
Property taxes, net of allowance	11,840	47,618	-	178,890	-	238,348
<i>Total assets</i>	<u>\$ 79,586</u>	<u>\$ 201,190</u>	<u>\$ 42,301</u>	<u>\$ 340,024</u>	<u>\$ 144,055</u>	<u>\$ 807,156</u>
<i>Liabilities</i>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,552	\$ 5,552
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,552</u>	<u>5,552</u>
<i>Deferred inflows of resources</i>						
Unavailable revenue - property taxes	11,840	47,618	-	178,890	-	238,348
<i>Total Deferred inflows of resources</i>	<u>11,840</u>	<u>47,618</u>	<u>-</u>	<u>178,890</u>	<u>-</u>	<u>238,348</u>
<i>Fund balances</i>						
Spendable						
Restricted for:						
General county operations	-	153,572	-	-	-	153,572
Maintenance of roads	-	-	-	161,134	-	161,134
Judicial	67,746	-	-	-	138,503	206,249
Public safety	-	-	42,301	-	-	42,301
<i>Total fund balances</i>	<u>67,746</u>	<u>153,572</u>	<u>42,301</u>	<u>161,134</u>	<u>138,503</u>	<u>563,256</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 79,586</u>	<u>\$ 201,190</u>	<u>\$ 42,301</u>	<u>\$ 340,024</u>	<u>\$ 144,055</u>	<u>\$ 807,156</u>

See independent auditors' report

STATE OF TEXAS  
Parmer County  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2015

Statement A-2

	Special Revenue					Total Nonmajor Governmental Funds
	Jury Fund	Permanent Improvement Fund	Parmer County Forfeiture Fund	R.O.W. Fund	State Fees Fund	
<i>Revenues:</i>						
Taxes:						
Property	\$ 13,663	\$ 54,654	\$ -	\$ 204,954	\$ -	\$ 273,271
Fines, forfeitures and settlements	-	-	829	-	176,099	176,928
Investment income	276	540	187	1,100	522	2,625
<i>Total revenues</i>	<u>13,939</u>	<u>55,194</u>	<u>1,016</u>	<u>206,054</u>	<u>176,621</u>	<u>452,824</u>
<i>Expenditures:</i>						
Current:						
Judicial	7,516	-	-	-	125,928	133,444
Public safety	-	-	4,535	-	-	4,535
<i>Total expenditures</i>	<u>7,516</u>	<u>-</u>	<u>4,535</u>	<u>-</u>	<u>125,928</u>	<u>137,979</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>6,423</u>	<u>55,194</u>	<u>(3,519)</u>	<u>206,054</u>	<u>50,693</u>	<u>314,845</u>
<i>Other financing sources (uses)</i>						
Transfers (out)	-	-	-	(200,000)	-	(200,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
<i>Net change in fund balances</i>	<u>6,423</u>	<u>55,194</u>	<u>(3,519)</u>	<u>6,054</u>	<u>50,693</u>	<u>114,845</u>
<i>Fund balances - beginning of year</i>	<u>61,323</u>	<u>98,378</u>	<u>45,820</u>	<u>155,080</u>	<u>87,810</u>	<u>448,411</u>
<i>Fund balances - end of year</i>	<u>\$ 67,746</u>	<u>\$ 153,572</u>	<u>\$ 42,301</u>	<u>\$ 161,134</u>	<u>\$ 138,503</u>	<u>\$ 563,256</u>

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## **SUPPORTING SCHEDULES**

## STATE OF TEXAS

Schedule V

Parmer County

Jury Fund Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ 14,189	\$ 14,189	\$ 13,663	\$ (526)
Fines, forfeitures and settlements	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,300	1,300	276	(1,024)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15,489</u>	<u>15,489</u>	<u>13,939</u>	<u>(1,550)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Judicial	7,475	7,475	7,516	(41)
Financial administration	-	-	-	-
Public facilities	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Road and bridge	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,475</u>	<u>7,475</u>	<u>7,516</u>	<u>(41)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>8,014</u>	<u>8,014</u>	<u>6,423</u>	<u>(1,591)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(8,014)	(8,014)	-	8,014
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(8,014)</u>	<u>(8,014)</u>	<u>-</u>	<u>8,014</u>
<i>Net change in fund balance</i>	-	-	6,423	6,423
<i>Fund balance - beginning of year</i>	-	-	61,323	61,323
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,746</u>	<u>\$ 67,746</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 6,423
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 6,423</u>

See independent auditors' report

## STATE OF TEXAS

Schedule VI

Parmer County

Permanent Improvement Fund Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ 56,755	\$ 56,755	\$ 54,654	\$ (2,101)
Fines, forfeitures and settlements	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Investment income	900	900	540	(360)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>57,655</u>	<u>57,655</u>	<u>55,194</u>	<u>(2,461)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public facilities	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Road and bridge	-	-	-	-
Capital outlay	25,000	25,000	-	25,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>32,655</u>	<u>32,655</u>	<u>55,194</u>	<u>22,539</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(32,655)	(32,655)	-	32,655
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(32,655)</u>	<u>(32,655)</u>	<u>-</u>	<u>32,655</u>
<i>Net change in fund balance</i>	-	-	55,194	55,194
<i>Fund balance - beginning of year</i>	-	-	98,378	98,378
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,572</u>	<u>\$ 153,572</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 55,194
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 55,194</u>

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## STATE OF TEXAS

Schedule VII

## Parmer County

## Parmer County Forfeiture Fund Special Revenue Fund

## Statement of Revenues, Expenditures and Changes in Fund Balance

## Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and settlements	-	2,037	829	(1,208)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	426	187	(239)
<i>Total revenues</i>	-	2,463	1,016	(1,447)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public facilities	-	-	-	-
Public safety	-	19,123	4,535	14,588
Health and welfare	-	-	-	-
Road and bridge	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	19,123	4,535	14,588
<i>Excess (deficiency) of revenues over expenditures</i>	-	(16,660)	(3,519)	13,141
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	16,660	-	(16,660)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	16,660	-	(16,660)
<i>Net change in fund balance</i>	-	-	(3,519)	(3,519)
<i>Fund balance - beginning of year</i>	-	-	45,820	45,820
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 42,301	\$ 42,301
Net change in fund balance (non-GAAP budgetary basis)				\$ (3,519)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (3,519)

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## STATE OF TEXAS

Schedule VIII

Parmer County

Contingency Fund Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ 212,831	\$ 212,831	\$ 204,954	\$ (7,877)
Fines, forfeitures and settlements	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Investment income	3,400	3,400	1,100	(2,300)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>216,231</u>	<u>216,231</u>	<u>206,054</u>	<u>(10,177)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public facilities	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Road and bridge	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>216,231</u>	<u>216,231</u>	<u>206,054</u>	<u>(10,177)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(16,231)	(16,231)	-	16,231
Transfers in	-	-	-	-
Transfers (out)	(200,000)	(200,000)	(200,000)	-
<i>Total other financing sources (uses)</i>	<u>(216,231)</u>	<u>(216,231)</u>	<u>(200,000)</u>	<u>16,231</u>
<i>Net change in fund balance</i>	-	-	6,054	6,054
<i>Fund balance - beginning of year</i>	-	-	155,080	155,080
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,134</u>	<u>\$ 161,134</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 6,054
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 6,054</u>

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## STATE OF TEXAS

Schedule IX

## Parmer County

## State Fees Fund Special Revenue Fund

## Statement of Revenues, Expenditures and Changes in Fund Balance

## Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and settlements	-	-	152,738	152,738
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	522	522
<i>Total revenues</i>	-	-	153,260	153,260
<i>Expenditures:</i>				
Current:				
General government	-	-	125,928	(125,928)
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public facilities	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Road and bridge	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	125,928	(125,928)
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	27,332	27,332
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	27,332	27,332
<i>Fund balance - beginning of year</i>	-	-	116,723	116,723
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 144,055	\$ 144,055
Net change in fund balance (non-GAAP budgetary basis)				\$ 27,332
Adjustments to revenues for fines, forfeitures, and settlements				23,361
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ 50,693
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## STATE OF TEXAS

Schedule X

Parmer County

Debt Service Fund

## Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ 231,299	\$ 231,299	\$ 218,599	\$ (12,700)
Investment income	1,200	1,200	565	(635)
<i>Total revenues</i>	<u>232,499</u>	<u>232,499</u>	<u>219,164</u>	<u>(13,335)</u>
<i>Expenditures:</i>				
Debt service:				
Principal	190,000	190,000	190,000	-
Interest	41,075	41,075	41,075	-
Administration fee	500	500	400	100
<i>Total expenditures</i>	<u>231,575</u>	<u>231,575</u>	<u>231,475</u>	<u>100</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>924</u>	<u>924</u>	<u>(12,311)</u>	<u>(13,235)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(924)	(924)	-	924
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(924)</u>	<u>(924)</u>	<u>-</u>	<u>924</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(12,311)</u>	<u>(12,311)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>161,252</u>	<u>161,252</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,941</u>	<u>\$ 148,941</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (12,311)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (12,311)</u>

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**Parmer County**  
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	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<b>JUVENILE PROBATION FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 3,124	\$ 763	\$ -	\$ 3,887
<i>Total assets</i>	<u>\$ 3,124</u>	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ 3,887</u>
<i>Liabilities</i>				
Due to others	\$ 3,124	\$ 763	\$ -	\$ 3,887
<i>Total liabilities</i>	<u>\$ 3,124</u>	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ 3,887</u>
<b>COUNTY ATTORNEY CHECK COLLECTION</b>				
<i>Assets</i>				
Cash and cash investments	\$ 29,328	\$ 4,484	\$ 4,936	\$ 28,876
<i>Total assets</i>	<u>\$ 29,328</u>	<u>\$ 4,484</u>	<u>\$ 4,936</u>	<u>\$ 28,876</u>
<i>Liabilities</i>				
Due to others	\$ 29,328	\$ 4,484	\$ 4,936	\$ 28,876
<i>Total liabilities</i>	<u>\$ 29,328</u>	<u>\$ 4,484</u>	<u>\$ 4,936</u>	<u>\$ 28,876</u>
<b>DISTRICT ATTORNEY CHECK COLLECTION</b>				
<i>Assets</i>				
Cash and cash investments	\$ 8,863	\$ 4,130	\$ 8,023	\$ 4,970
<i>Total assets</i>	<u>\$ 8,863</u>	<u>\$ 4,130</u>	<u>\$ 8,023</u>	<u>\$ 4,970</u>
<i>Liabilities</i>				
Due to others	\$ 8,863	\$ 4,130	\$ 8,023	\$ 4,970
<i>Total liabilities</i>	<u>\$ 8,863</u>	<u>\$ 4,130</u>	<u>\$ 8,023</u>	<u>\$ 4,970</u>
<b>COUNTY ATTORNEY FORFEITURE FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 4,736	\$ 17	\$ -	\$ 4,753
<i>Total assets</i>	<u>\$ 4,736</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 4,753</u>
<i>Liabilities</i>				
Due to others	\$ 4,736	\$ 17	\$ -	\$ 4,753
<i>Total liabilities</i>	<u>\$ 4,736</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 4,753</u>
<b>DISTRICT ATTORNEY FORFEITURE FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 96,069	\$ 1,712	\$ 18,618	\$ 79,163
Accounts receivable	-	-	-	-
<i>Total assets</i>	<u>\$ 96,069</u>	<u>\$ 1,712</u>	<u>\$ 18,618</u>	<u>\$ 79,163</u>
<i>Liabilities</i>				
Due to others	\$ 96,069	\$ 1,712	\$ 18,618	\$ 79,163
<i>Total liabilities</i>	<u>\$ 96,069</u>	<u>\$ 1,712</u>	<u>\$ 18,618</u>	<u>\$ 79,163</u>
<b>DISTRICT ATTORNEY SPECIAL FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 3,650	\$ 27,529	\$ 27,500	\$ 3,679
<i>Total assets</i>	<u>\$ 3,650</u>	<u>\$ 27,529</u>	<u>\$ 27,500</u>	<u>\$ 3,679</u>
<i>Liabilities</i>				
Due to others	\$ 3,650	\$ 27,529	\$ 27,500	\$ 3,679
<i>Total liabilities</i>	<u>\$ 3,650</u>	<u>\$ 27,529</u>	<u>\$ 27,500</u>	<u>\$ 3,679</u>

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	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<b>DISTRICT ATTORNEY SEIZURE FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 14,625	\$ 6,761	\$ 6,198	\$ 15,188
<i>Total assets</i>	<u>\$ 14,625</u>	<u>\$ 6,761</u>	<u>\$ 6,198</u>	<u>\$ 15,188</u>
<i>Liabilities</i>				
Due to others	\$ 14,625	\$ 6,761	\$ 6,198	\$ 15,188
<i>Total liabilities</i>	<u>\$ 14,625</u>	<u>\$ 6,761</u>	<u>\$ 6,198</u>	<u>\$ 15,188</u>
<b>PARMER COUNTY ATTNY PRETRIAL FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 1,162	\$ 12,932	\$ 6,021	\$ 8,073
<i>Total assets</i>	<u>\$ 1,162</u>	<u>\$ 12,932</u>	<u>\$ 6,021</u>	<u>\$ 8,073</u>
<i>Liabilities</i>				
Due to others	\$ 1,162	\$ 12,932	\$ 6,021	\$ 8,073
<i>Total liabilities</i>	<u>\$ 1,162</u>	<u>\$ 12,932</u>	<u>\$ 6,021</u>	<u>\$ 8,073</u>
<b>COUNTY CLERK TRUST ACCOUNTS</b>				
<i>Assets</i>				
Cash and cash investments	\$ 59,650	\$ 50	\$ -	\$ 59,700
<i>Total assets</i>	<u>\$ 59,650</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 59,700</u>
<i>Liabilities</i>				
Due to others	\$ 59,650	\$ 50	\$ -	\$ 59,700
<i>Total liabilities</i>	<u>\$ 59,650</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 59,700</u>
<b>DISTRICT CLERK TRUST ACCOUNTS</b>				
<i>Assets</i>				
Cash and cash investments	\$ 69,406	\$ 54	\$ 23,739	\$ 45,721
<i>Total assets</i>	<u>\$ 69,406</u>	<u>\$ 54</u>	<u>\$ 23,739</u>	<u>\$ 45,721</u>
<i>Liabilities</i>				
Due to others	\$ 69,406	\$ 54	\$ 23,739	\$ 45,721
<i>Total liabilities</i>	<u>\$ 69,406</u>	<u>\$ 54</u>	<u>\$ 23,739</u>	<u>\$ 45,721</u>
<b>PARMER COUNTY PERMANENT SCHOOL FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 466,471	\$ 267,970	\$ 6,948	\$ 727,493
<i>Total assets</i>	<u>\$ 466,471</u>	<u>\$ 267,970</u>	<u>\$ 6,948</u>	<u>\$ 727,493</u>
<i>Liabilities</i>				
Due to others	\$ 466,471	\$ 267,970	\$ 6,948	\$ 727,493
<i>Total liabilities</i>	<u>\$ 466,471</u>	<u>\$ 267,970</u>	<u>\$ 6,948</u>	<u>\$ 727,493</u>
<b>BOVINA PERMANENT SCHOOL FUND</b>				
<i>Assets</i>				
Cash and cash investments	\$ 549,766	\$ 3,020	\$ -	\$ 552,786
<i>Total assets</i>	<u>\$ 549,766</u>	<u>\$ 3,020</u>	<u>\$ -</u>	<u>\$ 552,786</u>
<i>Liabilities</i>				
Due to others	\$ 549,766	\$ 3,020	\$ -	\$ 552,786
<i>Total liabilities</i>	<u>\$ 549,766</u>	<u>\$ 3,020</u>	<u>\$ -</u>	<u>\$ 552,786</u>

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	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<b>PARMER COUNTY SHERIFF</b>				
<i>Assets</i>				
Cash and cash investments	\$ 5,089	\$ 5,937	\$ 6,933	\$ 4,093
<i>Total assets</i>	<u>\$ 5,089</u>	<u>\$ 5,937</u>	<u>\$ 6,933</u>	<u>\$ 4,093</u>
<i>Liabilities</i>				
Due to others	\$ 5,089	\$ 5,937	\$ 6,933	\$ 4,093
<i>Total liabilities</i>	<u>\$ 5,089</u>	<u>\$ 5,937</u>	<u>\$ 6,933</u>	<u>\$ 4,093</u>
<b>PARMER COUNTY JAIL COMMISSARY</b>				
<i>Assets</i>				
Cash and cash investments	\$ 31,269	\$ 41,494	\$ 55,272	\$ 17,491
<i>Total assets</i>	<u>\$ 31,269</u>	<u>\$ 41,494</u>	<u>\$ 55,272</u>	<u>\$ 17,491</u>
<i>Liabilities</i>				
Due to others	\$ 31,269	\$ 41,494	\$ 55,272	\$ 17,491
<i>Total liabilities</i>	<u>\$ 31,269</u>	<u>\$ 41,494</u>	<u>\$ 55,272</u>	<u>\$ 17,491</u>
<b>PARMER COUNTY INMATE TRUST</b>				
<i>Assets</i>				
Cash and cash investments	\$ 2,791	\$ 34,137	\$ 31,972	\$ 4,956
<i>Total assets</i>	<u>\$ 2,791</u>	<u>\$ 34,137</u>	<u>\$ 31,972</u>	<u>\$ 4,956</u>
<i>Liabilities</i>				
Due to others	\$ 2,791	\$ 34,137	\$ 31,972	\$ 4,956
<i>Total liabilities</i>	<u>\$ 2,791</u>	<u>\$ 34,137</u>	<u>\$ 31,972</u>	<u>\$ 4,956</u>
<b>OTHER DEPARTMENTS</b>				
<i>Assets</i>				
Cash and cash investments	\$ 96,011	\$ 281,855	\$ 251,957	\$ 125,909
<i>Total assets</i>	<u>\$ 96,011</u>	<u>\$ 281,855</u>	<u>\$ 251,957</u>	<u>\$ 125,909</u>
<i>Liabilities</i>				
Due to others	\$ 28,820	\$ 206,004	\$ 184,766	\$ 50,058
Due to state	67,191	75,851	67,191	75,851
<i>Total liabilities</i>	<u>\$ 96,011</u>	<u>\$ 281,855</u>	<u>\$ 251,957</u>	<u>\$ 125,909</u>
<b>TOTAL ALL AGENCY FUNDS</b>				
<i>Assets</i>				
Cash and cash investments	\$ 1,442,010	\$ 692,845	\$ 448,117	\$ 1,686,738
Accounts receivable	-	-	-	-
<i>Total assets</i>	<u>\$ 1,442,010</u>	<u>\$ 692,845</u>	<u>\$ 448,117</u>	<u>\$ 1,686,738</u>
<i>Liabilities</i>				
Due to others	\$ 1,374,819	\$ 616,994	\$ 380,926	\$ 1,610,887
Due to state	67,191	75,851	67,191	75,851
<i>Total liabilities</i>	<u>\$ 1,442,010</u>	<u>\$ 692,845</u>	<u>\$ 448,117</u>	<u>\$ 1,686,738</u>

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